Amdt. Dated 07/14/2006

Reply to Final Office Action of 04/24/2006

REMARKS / ARGUMENTS

For the convenience of the Examiner and clarity of purpose, Applicant has reprinted the

substance of the Office Action in 10-point bolded and italicized font. Applicant's arguments

immediately follow in regular font.

2. Claims 27, 28, 30, 38, 39, 41-43, 46, 49, 64, 66, and 67 are rejected under 35

U.S.C. 102(b) as being anticipated by Crowe (US 3,771,603).

Regarding claims 27, 66: Williamson, Jr. discloses an isolation system that includes an isolation pipe 136 that includes a pressure activated valve 300, V3 for a first flow path (the flow path through the valve) and coupled to the pipe and a tool shiftable valve 176 for a second flow path (the through bore of the assembly) coupled to the pipe and in communication with the pressure

activated valve (3:35-47). (With regards to claim 66, the examiner notes that the isolation pipe itself extends below the packer assemblies and the claim

does not require that the valves be located below the packer assemblies.)

Applicant respectfully traverses this rejection. For this response, Applicant assumes that

the reference to Williamson, Jr. was in error.

Without acceding to the accuracy of the Examiner's characterization of Crowe and

without focusing on the other distinctions of claims 27 and 66 over Crowe, Applicant notes that

Crowe's "tool shiftable valve 176" is the ball valve 176 of safety valve V1 or V2. Crowe plainly

discloses and teaches that the tool shiftable nature of safety valve V1, V2 is only from a closed to

an opened condition. See, e.g., Abstract ("A shifting tool is operable by fluid pressure to

mechanically *open* the shut off valves ..."); Column 2, lines 16-28 ("a shifting tool operative to

open safety valve...."); Column 15, lines 15-29 ("means are provided whereby the valve V1 or

valve V2 may be *opened* mechanically..."). Indeed, Crowe plainly discloses that the safety

valve V1, V2 can only be shifted once from closed to opened and, thereafter, the safety valve

Page 12 of 17

Amdt. Dated 07/14/2006

Reply to Final Office Action of 04/24/2006

V1, V2 (i.e., ball valve 176) is *locked* in the opened condition. See, e.g., Column 2, lines 16-28

("The valve is *locked open*, when opened by the shifting tool"); Column 15, lines 15-29

("means are provided whereby the valve V1 or valve V2 may be opened mechanically and

locked opened..."). Crowe does not disclose or teach that the safety valve V1, V2 can be tool

shifted from opened to closed.

Applicant has amended independent claims 27 and 66 to require that the tool shiftable

valve be "shiftable by a tool between opened and closed positions;" and the mechanically

activated valve is capable of being "mechanically actuatable by a tool between opened and

closed flow conditions," respectively. Crowe does not disclose the desirability of or the structure

for tool shifting the ball valve 176 from opened to closed. Applicant intends that the words and

phrases "closed," "no flow," and "prevent flow" when used to describe a valve condition be

construed to allow for normal leakage or insubstantial flow through the valve, and that the words

and phrases do not require an absolute absence of fluid communication through the valve. If the

Examiner disagrees with this construction of these words and phrases, Applicant requests that it

be so advised.

With these amendments, Applicant submits that independent claims 27 and 66 are

presented in allowable form. Reconsideration and withdrawal of these rejections is respectfully

requested.

Regarding claim 28: The tool shiftable valve is a sliding sleeve that is shiftable between an open and closed position

between an open and closed position.

Regarding claim 30: The isolation pipe defines a port (either the inlet or outlet of the pipe) through which fluid is allowed to flow when the tool shiftable

valve is open.

Page 13 of 17

Amdt. Dated 07/14/2006

Reply to Final Office Action of 04/24/2006

For at least the reasons presented above, dependent claims 28 and 30 are allowable.

Reconsideration and withdrawal of these rejections is respectfully requested.

Regarding claims 38, 46, 64, 67: Williamson, Jr. discloses a method for using the above system that involves inserting the tool into a wellbore, shifting the tool shiftable valve, stinging a string into the isolation string, and then opening the pressure activated valve by pressurized fluid acting on the valve

(Abstract, 15:40-42, 16:31-17:20).

Without acceding to the accuracy of the Examiner's characterization of Crowe and

without focusing on the other distinctions of claims 38, 46, 64 and 67 over Crowe, independent

claims 38, 46, 64 and 67 have been amended to require that the tool shiftable valve is shifted

closed with a tool. Crowe does not disclose that a tool can be used to shift the ball valve 176

closed. Applicant intends that the words and phrases "closed," "no flow," and "prevent flow"

when used to describe a valve condition be construed to allow for normal leakage or

insubstantial flow through the valve, and that the words and phrases do not require an absolute

absence of fluid communication through the valve. If the Examiner disagrees with this

construction of these words and phrases, Applicant requests that it be so advised.

With these amendments, Applicant submits that independent claims 38, 46, 64 and 67 are

presented in allowable form. Reconsideration and withdrawal of these rejections is respectfully

requested.

Regarding claim 39: The pressure activated valve is opened while the tool shiftable valve is in the wellbore.

Regarding claim 41. The pipe includes an isolation string.

Regarding claim 42: Production fluid is allowed to flow through both valves.

Regarding claim 43: The tool shiftable valve is shifted using a shifting tool.

Page 14 of 17

Amdt. Dated 07/14/2006

Reply to Final Office Action of 04/24/2006

Regarding claim 49: The shifting tool is removed from the wellbore after shifting the tool shiftable valve.

For at least the reasons presented above with respect to independent claims 38, 46, 64 and 67, dependent claims 39, 41 - 43 and 49 are allowable. Reconsideration and withdrawal of these rejections is respectfully requested.

3. Claims 1, 2, 23-26, 55-63, and 65 are allowed.

Applicant thanks the Examiner for the favorable consideration given these claims.

4. Claims 29, 31-37, 40, 44, 45, 47, and 48 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claim.

Applicant thanks the Examiner for the favorable consideration given these claims. However, in light of the amendments made to independent claims 27, 38 and 46, Applicant chooses not to rewrite these claims at this time. Reconsideration and withdrawal of these objections is respectfully requested.

5. In view of applicant's amendment, the objections to the drawings and claims have been withdrawn.

Applicant thanks the Examiner for the favorable consideration given to the amendments.

6. Applicant's arguments filed March 30, 2006 have been fully considered but they are not persuasive.

Applicant has argued that Crowe does not teach a tool shiftable valve with a second flow path. The examiner disagrees and notes that the central through bore of the assembly is the flow path of the tool shiftable valve while fluid

Amdt. Dated 07/14/2006

Reply to Final Office Action of 04/24/2006

must flow through an alternate path to pass through the pressure activated valve.

Applicant has argued that the tool shiftable valve is inoperable when the pressure activated valve is present. The examiner notes that claim 27 is an apparatus claim and Crowe does teach both a pressure activated and a tool shiftable valve on an isolation pipe where both valves are operable at some point during the use of the tool.

Applicant has argued that the valves are located above the packing assembly of Crowe thus the pipe is not an isolation pipe. The examiner reiterates that claim 27 is an apparatus claim and thus the placement of the isolation pipe with relation to the packing assembly is not relevant as the pipe still isolates fluid flow through the well.

Applicant has argued that the tool shiftable valve would have to be locked open and the pressure activated valve would have to be set in place prior to the string being run into the wellbore in order for Crowe to meet the limitations of claims 38, 46, and 64. The examiner disagrees and notes that the above claims do not require that the valves be located on or within the isolation pipe prior to the pipe being inserted into the wellbore. Crowe teaches an isolation pipe that is inserted into the wellbore where the pipe includes both valves after it has been inserted into the wellbore.

Applicant has argued that the tool shiftable valve be shifted after the isolation pipe is set in place. The examiner disagrees and notes that claims merely require that the tool valve be operable in the well. Without a specific recitation or indication of the order of the steps within a claim, the applied reference need only teach the steps recited in the claim regardless of the order.

Applicant has argued that the pressure activated valve of Crowe does not include a moveable sleeve as required in claim 64. While the examiner agrees that Crowe does not specifically teach that the valve has a shiftable sleeve, some feature of the valve must be shiftable in order for the valve to move between an open and closed position.

Applicant does not necessarily agree with the Examiner's characterizations of what Crowe discloses or teaches, whether expressly or inherently, and what Applicant has argued. In light of the arguments and amendments made above, Applicant reserves its right to specifically challenge the Examiner's characterizations at a later date.

Amdt. Dated 07/14/2006

Reply to Final Office Action of 04/24/2006

OTHER AMENDMENTS

Applicant has chosen to amend claim 64 to more particularly point and distinctly claim

certain aspects of the disclosed inventions. These amendments may or may not be narrowing in

scope and are not being made for reasons relating to patentability.

CONCLUSION

Claims 1, 2, 23-67 are pending in this application and Applicant submits that each claim

is patentable over the cited art, as detailed herein. A notice of allowance is respectfully

requested.

The Commissioner is authorized to charge to deposit account 12-1322/020569.05007 any

fees necessary to make this and related papers, if any, timely and effective.

Applicant thanks the Examiner for her consideration and effort on this file. If there are

any questions or if additional information is needed, the Examiner is invited to telephone or

email the undersigned.

Respectfully submitted,

LOCKE LIDDELL & SAPP LLP

By /ABDJR/

Albert B. Deaver, Jr. Reg. No. 34,318

Tel.: (713) 226-1141

adeaver@lockeliddell.com

Page 17 of 17